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OF COUNSEL
URBAN A. LESTER

October 3, 2002

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 24154-E FILED

OCT 3 - '02 1-22 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Loan and Security Agreement (LA-2002-FH1), dated as of September 26, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Head Lease Agreement which is being filed with the Board under Recordation Number _____.

The names and addresses of the parties to the enclosed document are:

Borrower: LACMTA Rail Statutory Trust LA-2002-FH1
c/o State Street Bank and Trust Company
of California, National
Association, Trustee
Library Tower
633 West Fifth Street, 12th Floor
Los Angeles, California 90071

Lender: FSA Global Funding Limited
c/o QSPV Limited
P.O. Box 1093 GT
South Church Street
George Town, Grand Cayman
Cayman Islands

Mr. Vernon A. Williams
October 3, 2002
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A description of the railroad equipment covered by the enclosed document is:

17 Siemens SD460 light rail vehicles with LACMTA rail marks and with road numbers within the series 203 - 232, as specifically set forth on the Exhibit A to the filed document.

A short summary of the document to appear in the index is:

Memorandum of Loan and Security Agreement (LA-2002-FH1).

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF LOAN AND SECURITY AGREEMENT (LA-2002-FH1)

Memorandum of Loan and Security Agreement (LA-2002-FH1), dated as of September 26, 2002 among **LACMTA RAIL STATUTORY TRUST LA-2002-FH1**, a Connecticut statutory trust (the "**Trust**"), and **FSA GLOBAL FUNDING LIMITED**, an exempted company with limited liability organized under the laws of the Cayman Islands, as Lender (the "**Lender**").

WITNESSETH:

The undersigned have entered into that certain Loan and Security Agreement (LA-2002-FH1), dated as of September 26, 2002, whereby in consideration of a loan made under said agreement, the Trust has granted a first priority security interest in the Collateral as defined in such agreement, including without limitation, the Trust's interest in certain railroad equipment bearing car numbers as listed on Exhibit A attached hereto.

Remainder of page intentionally left blank

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IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Loan and Security Agreement to be duly executed by their respective officers thereunto duly authorized, as of the date first above written.

LACMTA RAIL STATUTORY TRUST LA-2002-FH1

By: State Street Bank and Trust Company of California,
National Association, not in its individual capacity
except as expressly set forth herein, but solely as
Trustee

By: 

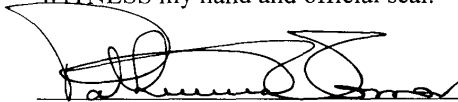
Name: Paula Oswald
Title: Vice President

ACKNOWLEDGEMENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On September 13, 2002 before me, Pathricia O'Connor the undersigned notary public in and for said County and State, personally appeared Paula Oswald, personally known to me ~~or proved to me on the basis of satisfactory evidence~~ to be the person(s) whose name(s) is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity(ies) and that, by her signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.





My commission expires on September 23, 2003

By: 
Name: Helen Allen
Title: Director

GEORGE TOWN _____)
) SS.
CAYMAN ISLANDS _____)

Witness my hand and official seal.

Notary Public

My commission expires on 31st January, 2003

EXHIBIT A

DESCRIPTION OF RAILCARS; EQUIPMENT VALUES

Description of Item of Equipment	Serial Number	Equipment Value
Siemens SD460 Light Rail Vehicle	203	\$4,170,000
Siemens SD460 Light Rail Vehicle	205	\$4,170,000
Siemens SD460 Light Rail Vehicle	207	\$4,170,000
Siemens SD460 Light Rail Vehicle	209	\$4,170,000
Siemens SD460 Light Rail Vehicle	214	\$4,170,000
Siemens SD460 Light Rail Vehicle	206	\$4,200,000
Siemens SD460 Light Rail Vehicle	208	\$4,200,000
Siemens SD460 Light Rail Vehicle	218	\$4,200,000
Siemens SD460 Light Rail Vehicle	219	\$4,200,000
Siemens SD460 Light Rail Vehicle	220	\$4,200,000
Siemens SD460 Light Rail Vehicle	221	\$4,200,000
Siemens SD460 Light Rail Vehicle	222	\$4,200,000
Siemens SD460 Light Rail Vehicle	223	\$4,200,000
Siemens SD460 Light Rail Vehicle	224	\$4,200,000
Siemens SD460 Light Rail Vehicle	225	\$4,200,000
Siemens SD460 Light Rail Vehicle	226	\$4,200,000
Siemens SD460 Light Rail Vehicle	232	\$4,200,000